



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS

Dennis Kennedy, Mayor
Steve Tate, Mayor Pro Tempore
Larry Carr, Council Member
Mark Grzan, Council Member
Greg Sellers, Council Member

REDEVELOPMENT AGENCY

Dennis Kennedy, Chair
Steve Tate, Vice-Chair
Larry Carr, Agency Member
Mark Grzan, Agency Member
Greg Sellers, Agency Member

WEDNESDAY, SEPTEMBER 21, 2005

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL AND REGULAR MEETING

and

REDEVELOPMENT AGENCY SPECIAL MEETING

6:00 P.M.

A Special Meeting of the City Council and Redevelopment Agency is Called at 6:00 P.M. for the Purpose of Conducting Closed Sessions.

Dennis Kennedy, Mayor/Chairman

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

6:00 P.M.

City Council Action and Redevelopment Agency Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Authority: Government Code Sections 54956.9(b) & (c)
Number of Potential Cases: 3

2.

PUBLIC EMPLOYEE APPOINTMENT

Authority: Government Code 54957
Consideration of Appointment: City Attorney
Attendees: City Manager, Interim City Attorney, Bob Murray

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PROCLAMATION

Constitution Week
Nathalie Averett

PRESENTATION

City of Morgan Hill Employee Contributions to American Red Cross for Hurricane Katrina Relief
Human Resources Director Mary Kaye Fisher

CITY COUNCIL REPORT

Mayor Kennedy

CITY COUNCIL SUB-COMMITTEE REPORTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE
CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

City Council Action

CONSENT CALENDAR:

ITEMS 1-15

The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

1. **AUGUST 2005 FINANCE AND INVESTMENT REPORT - CITY..... 1**
Recommended Action(s): Accept and File Report.
2. **COMMITMENT TO ANNEX UNINCORPORATED ISLANDS LOCATED WITHIN THE URBAN
SERVICE AREA..... 27**
Recommended Action(s):
 1. **Direct** Staff to Prepare Initiation of Two Additional Island Annexations under the Provision of Government Code Section 56375.3 (#16 and #17 on maps);
 2. **Request** that the County Provide the Necessary Mapping, Legal Descriptions, and Surveyor's Reports for the Amended List of Islands Identified in the Amended Chart; and
 3. **Authorize** Staff, on Behalf of the City Council, to Request Minor Adjustments to the Urban Service Area Boundary and/or Sizes of Identified Islands, as Necessary, to Accommodate Annexation of the Islands in a Manner that is Consistent with the LAFCO Regulations and Policies Regarding Annexation of Streets Adjacent to City Lands and Avoidance of Split Lines of Assessment.
3. **UPDATE OF DESIRABLE INFILL STANDARDS..... 35**
Recommended Action(s): Approve Changes to City Council Policy CP 94-02, Establishing Desirable Infill Standards to Comply with Changes Under Measure C and Section 18.78.070 of the Municipal Code.
4. **STATUS OF DISCUSSIONS WITH THE NON-PROFIT SPORT GROUPS REGARDING
OPERATIONS AND MAINTENANCE OF THE OUTDOOR SPORTS COMPLEX 41**
Recommended Action(s): Receive Status Report.

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
5.	<u>ADOPTION OF SPEED LIMITS IN ACCORDANCE WITH THE NEW ENGINEERING AND TRAFFIC SURVEY</u> Recommended Action(s): Repeal Resolution No. 5421 and Adopt Resolution Dated September 21, 2005, Establishing Speed Limits on City Streets.	43
6.	<u>ACCEPTANCE OF BUTTERFIELD BOULEVARD AND SAN PEDRO AVENUE SEWER TRUNK PROJECT</u> Recommended Action(s): 1. Accept as Complete the Butterfield Boulevard and San Pedro Avenue Sewer Trunk Project in the Final Amount of \$333,455; and 2. Direct the City Clerk to File a Notice of Completion with the County Recorder's Office.	49
7.	<u>ACCEPTANCE OF PUBLIC IMPROVEMENTS FOR JASMINE SQUARE</u> Recommended Action(s): 1. Adopt Resolution Accepting the Public Improvements for the Project Commonly Known as Jasmine Square; and 2. Direct the City Clerk to File a Notice of Completion with the County Recorder's Office.	53
8.	<u>AMEND REIMBURSEMENT AGREEMENT FOR UNDERGROUNDING OF OVERHEAD UTILITIES BY SHAW DEVELOPMENT (AKA: SHAW REAL ESTATE, INC.)</u> Recommended Action(s): 1. Appropriate \$9,898 from Unappropriated Underground Utility Fund Balance (350); and 2. Approve Amended Reimbursement Agreement, Thereby Approving Reimbursement of \$56,938 to Developer for Undergrounding Overhead Utilities Along the South Side of East Dunne Avenue West of Walnut Grove, Subject to Review and Approval by the City Attorney.	59
9.	<u>INDOOR RECREATION CENTER PROJECT – AUGUST CONSTRUCTION PROGRESS REPORT</u> Recommended Action(s): Information only.	69
10.	<u>APPROVE FIRST AMENDMENT TO THE SPORTS MANAGEMENT GROUP CONSULTANT AGREEMENT FOR INDOOR RECREATION CENTER</u> Recommended Action(s): Authorize the City Manager to Amend the Sports Management Group's Consultant Agreement for an Additional \$10,000 for Updating Operating and Revenue Analysis, Equipment Specification and Drawings and to Assist the Staff in FF&E Procurement; Subject to Review and Approval by the City Attorney.	77
11.	<u>ADOPT ORDINANCE NO. 1737, NEW SERIES</u> Recommended Action(s): Waive the Reading, and Adopt Ordinance No. 1737, New Series, and Declare That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A ZONING AMENDMENT TO ESTABLISH AN R-2 3,500/RESIDENTIAL PLANNED DEVELOPMENT ON A 7.06 ACRE SITE LOCATED ON THE SOUTHWEST CORNER OF THE INTERSECTION OF BARRETT AVENUE AND SAN RAMON DRIVE (APN 817-33-003) .	79

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
12.	<u>ADOPT ORDINANCE NO. 1738, NEW SERIES, AS AMENDED</u> Recommended Action(s): <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1738, New Series, As Amended, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING DEVELOPMENT AGREEMENT APPLICATION, DA-04-05 FOR APPLICATIONS MP-02-22 and MC-04-13: Barrett-Odishoo (APN 817-33-003).	85
13.	<u>ANNEXATION APPLICATION, ANX-01-04: CLAYTON-MERLANO</u> Recommended Action(s): <u>Adopt</u> Resolution Approving Annexation, with Corrected Map and Legal Description.	89
14.	<u>FISCAL YEAR 2004-2005 YEAR-END BUDGET AMENDMENTS</u> Recommended Action(s): <u>Increase</u> Fiscal Year 2005-2005 Budget Appropriations as Shown in Exhibit A.	105
15.	<u>CARRYOVER OF ENCUMBRANCES FROM FISCAL YEAR 2004-2005</u> Recommended Action(s): <u>Receive</u> and <u>File</u> .	107

Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 16-17

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	Consent Calendar: 1 - 10 Minutes	
16.	<u>AUGUST 2005 FINANCE AND INVESTMENT REPORT - RDA</u> Recommended Action(s): <u>Accept</u> and <u>File</u> Report.	111
17.	<u>LOAN TO SOUTH COUNTY HOUSING FOR VIA CIOLINO</u> Recommended Action(s): <u>Authorize</u> the Executive Director to do Everything Necessary and Appropriate to Negotiate, Execute and Implement, Subject to Review by Agency Counsel, a Loan Agreement With South County Housing in an Amount Not To Exceed \$50,000 for the Demolition of Commercial Structures at the Southwest Corner of Ciolino Avenue and Monterey Road	121

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

ITEM 18

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
18.	<u>APPROVE MINUTES OF SPECIAL AND REGULAR CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING OF SEPTEMBER 7, 2005</u> 	125

City Council Action (Continued)

CONSENT CALENDAR:

ITEM 19

Time Estimate

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Consent Calendar: 1 - 10 Minutes

19. **APPROVAL OF PROGRAM SUPPLEMENT AGREEMENT NUMBER M007 FOR FEDERAL-AID PROJECT NUMBER 04-5152: PEDESTRIAN CROSSING IMPROVEMENT PROJECT** 149
- Recommended Action(s):**
1. **Approve** the Program Supplemental Agreement with Caltrans for the Pedestrian Crossing Improvement Project; and
 2. **Adopt** the Resolution Designating the City Manager as the City Official Authorized to Sign the Funding Agreement.

City Council Action

PUBLIC HEARINGS:

Time Estimate

Page

20. 5 Minutes **ZONING AMENDMENT, ZA-05-06: CITY OF MORGAN HILL-MAST STREET PLANNING UNIT DEVELOPMENT (PUD) DISTRICT AMENDMENT**157
- Public Hearing Opened.
Please Limit Your Remarks to 3 Minutes. Public Hearing Closed
Council Discussion.
- Action- **Motion to Waive** the Reading in Full of Ordinance.
Action- **Motion to Introduce** Ordinance by Title Only. (Roll Call Vote)

City Council Action

OTHER BUSINESS:

Time Estimate

Page

21. 15 Minutes **CITY OF MORGAN HILL EMERGENCY OPERATIONS PLAN**177
- Recommended Action(s):** **Approve** and **Authorize** Distribution and Use of the Morgan Hill 2005 Emergency Operations Plan.
22. 10 Minutes **WATER RATES**189
- Recommended Action(s):** City Council **Take No Action** Regarding Water Rates or Perchlorate Surcharges, thus Keeping the Adopted Series of Rate Adjustments.
23. 15 Minutes **FISCAL YEAR 2004-2005 GENERAL FUND YEAR-END ANALYSIS**195
- Recommended Action(s):** **Receive** and **File**.

OTHER BUSINESS:

	Time Estimate		Page
24.	15 Minutes	<u>COMMUNITY ORIENTED POLICING SERVICES (COPS) UNIVERSAL HIRING PROGRAM GRANT</u>	205
		<u>Recommended Action(s):</u> <u>Consider</u> Whether to Accept a Federal Grant Which Would Provide \$150,000, or 16% of the Costs of Two Additional Police Officers Over the Next Four (4) Years.	
25.	5 Minutes	<u>CYSA LEASE EXTENSION AT OUTDOOR SPORTS COMPLEX</u>	215
		<u>Recommended Action(s):</u>	
		1. <u>Authorize</u> the City Manager to Extend the Lease Agreement with CYSA through December 2006; and	
		2. <u>Provide</u> Direction to Staff on the Lease Terms and on the Request from CYSA for Parking Lot and Drainage Improvements.	
26.	5 Minutes	<u>SANTA CLARA VALLEY HABITAT CONSERVATION PLAN/NATURAL COMMUNITY CONSERVATION PLAN (HCP/NCCP) REVISED NON-VOTING LOCAL PARTNER AGREEMENT, PLANNING AGREEMENT, AND APPOINTMENTS TO GOVERNING BODY LIAISON GROUP</u>	225
		<u>Recommended Action(s):</u>	
		1. <u>Authorize</u> the City Manager to Execute the Revised Non-Voting Local Partner Agreement, and Rescind the August 3 rd Authorization to Execute the Earlier Version of the Local Partner Agreement;	
		2. <u>Authorize</u> the City Manager to Execute the Planning Agreement; and	
		3. <u>Designate</u> up to Two Members of the City Council to Serve as Representative(s) on the Governing Body Liaison Group.	

City Council and Redevelopment Agency Action

OTHER BUSINESS:

	Time Estimate		Page
27.	10 Minutes	<u>MAYOR, COUNCIL MEMBER, AND REDEVELOPMENT AGENCY BOARD MEMBER COMPENSATION</u>	255
		<u>Recommended Action(s):</u> <u>Discuss</u> Compensation for Mayor, City Council Members and RDA Board Members.	

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT